Docket No. 70456-056

Amendment Dated: September 3, 2004

Amendment to the Specification:

Page 25 and 26, Last Paragraph, line 3 of Page 26 please amend as follows:

(Currently Amended)

When controller 214 of hard disk 20 confirms the acceptance of session key Ks1a produced by license providing device 40, it notifies terminal device 10 of this acceptance via ATA interface portion 212 and terminal 210. When controller 108 of terminal device 10 accepts, via hard disk interface portion 110 and bus BS2, the notification that hard disk 20 accepted session key Ks1a, it provides a notification, which requests production of the session key to be produced in the distribution by hard disk 20, to hard disk 20 via bus BS2 and hard disk interface portion 110 (step S18). When controller 214 of hard disk 20 accepts the notification of request for session key production via terminal 210 and ATA ~~controller~~ **interface portion** 212, controller 214 instructs session key generating portion 226 to generate a session key Ks2a to be produced in the distribution operation by hard disk 20. Session key generating portion 226 generates session key Ks2a (step S19).

Page 28, Paragraph 1, line 10 please amend as follows:

(Currently Amended)

Controller 214 compares license ID (LID) included in accepted license LIC with license ~~LID~~ **ID** (LID) accepted in step S16, and determines whether these match with each other or not (step S39). When the matching is confirmed, controller 214 determines that accepted license LIC is correct, and stores accepted license LIC at the logical block address, which is received from terminal device 10, in secure data storage portion 250 (step S40).

Page 30, Paragraph 1, line 10 please amend as follows:

(Currently Amended)

Referring to Fig. 10, when terminal device 10 determines that a failure occurred during the processing from step S25 to step S44, it provides a request for rewriting of license LIC to license providing device 40 over network 30 (step S101). When distribution control portion 412 accepts the rewrite request via communication device 450 and bus BS1 (step S102), it instructs session key generating portion 414 to produce the session key. Session key generating portion 414 receiving the instruction produces a session key Ks1b for the rewrite processing (step S103). Distribution control portion 412 obtains class public key KPcm1 corresponding to hard disk 20 from log database ~~402~~ **404** storing the log of transmission to and from hard disk 20 in this session (step S104), and provides it to encryption processing portion 420. Encryption processing portion 420 receiving class public key KPcm1 encrypts class public key KPcm1 with session key Ks1b to produce E(KPcm1, Ks1b) (step S105). Distribution control portion 412 externally provides E(KPcm1, Ks1b) via bus BS1 and communication device 450 (step S106).

Page 31, Paragraph 1, line 3 please amend as follows:

(Currently Amended)

When controller 214 of hard disk 20 accepts the notification of output request of log memory 250B via terminal 210 and ATA ~~controller~~ **interface portion** 212 (step S112), it determines whether license ID (LID) of license LIC stored at the logical block address stored in log memory 250B matches with license ID (LID) stored in log memory 250B or not (step S113).

Page 39, Paragraph 1, line 9 please amend as follows:

(Currently Amended)

When controller 214 of hard disk 21 confirms the acceptance of session key Ks1a produced by hard disk 20, it notifies terminal device 10 of the acceptance via ATA interface portion 212 and terminal 210. When terminal device 10 accepts the notification that hard disk 21 accepted session key Ks1a, terminal device 10 issues to hard disk 21 a notification of production request for the session key to be produced by hard disk 21 in the copy/shift operation (step S216). When controller 214 of hard disk 21 accepts the notification of production request for the session key via terminal 210 and ATA ~~controller~~ **interface portion** 212, it instructs session key generating portion 226 to produce the session key to be produced in the license copy/shift operation. Session key generating portion 226 produces session key Ks2a (step S217).

Page 45, Paragraph 2, line 23 please amend as follows:

(Currently Amended)

When controller 214 of hard disk 21 confirms the acceptance of session key Ks1b produced by hard disk 20, it notifies terminal device 10 of the acceptance via ATA interface portion 212 and terminal 210. When controller 108 of terminal device 10 accepts the notification sent from hard disk 21 via hard disk interface portion 110 and bus BS2, it issues a request, which requesting output of the log stored in log memory 250B of hard disk 21 to hard disk 20, to hard disk 21 via bus BS2 and hard disk interface portion 110 (step S311). When controller 214 of hard disk 21 accepts the output request for the log via terminal 210 and ATA ~~controller~~ **interface portion** 212 (step S312), it determines whether license ID (LID) of license LIC stored at the logical block address, which is stored in log memory 250B, matches with license ID (LID) stored in log memory 250B or not (step S313).